

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7204

BILL NUMBER: HB 1574

DATE PREPARED: Jan 9, 2001

BILL AMENDED:

SUBJECT: User fees for police and fire pensions.

FISCAL ANALYST: Bob Sigalow

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FUNDS AFFECTED:

**GENERAL
DEDICATED
FEDERAL**

IMPACT: Pending

Summary of Legislation: Permits a local unit of government to impose a user fee on all parcels of real property to fund police and fire pension obligations, and prohibits a unit that imposes the user fee from levying a property tax for that purpose. Reduces the maximum permissible property tax levy of a unit that imposes a user fee by the amount previously levied for police and fire pension obligations. Allows for the annual amount of revenue to be raised by the user fee to be recommended by the board of trustees of the pension fund and approved by the legislative body of the unit. Allows the legislative body to choose to collect the user fee on the bills of either the electric utility or the water utility and sets the rate of the user fee. Establishes a procedure for enforcement of the payment of user fees and penalties. Authorizes payments from the state general fund in tax increment financing allocation areas if the elimination of property taxes for pensions would jeopardize repayment of bonds or other obligations.

Effective Date: July 1, 2001; January 1, 2002.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources: